

LUNCHEON REMARKS OF HON. HENRY A. WAXMAN,  
CHAIRMAN, SUBCOMMITTEE ON HEALTH AND THE ENVIRONMENT  
BEFORE THE POWER/ENVIRONMENT '84 CONFERENCE  
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I'D LIKE TO THANK STUART PATTERSON, YOUR CONFERENCE COORDINATOR, THE EDISON ELECTRIC INSTITUTE, AND THE ENVIROSPHERE COMPANY FOR THIS OPPORTUNITY TO SPEAK TO YOU ABOUT THE PRESSING NEED FOR ACID RAIN CONTROL.

FEW ENVIRONMENTAL PROBLEMS HAVE BEEN STUDIED AS MUCH AS ACID RAIN. FEWER STILL HAVE ACID RAIN'S ABILITY TO WREAK WIDESPREAD ECONOMIC AND ENVIRONMENTAL DAMAGE. AND NO PROBLEM IS IN AS MUCH NEED OF AN IMMEDIATE SOLUTION.

IT WAS OVER 10 YEARS AGO THAT RESEARCHERS BEGAN TO DOCUMENT ACID RAIN'S EFFECTS IN THE ADIRONDACK MOUNTAINS AND WARN OF POTENTIAL ADVERSE IMPACTS. THEIR WARNINGS WERE PROPHETIC--TODAY HUNDREDS OF LAKES THAT ONCE TEEMED WITH FISH AND OTHER WILDLIFE HAVE BEEN SILENCED BY ACIDIFICATION.

THE ADIRONDACK MOUNTAINS ARE NOT ALONE--LAKES IN LARGE PARTS OF NEW ENGLAND, THE UPPER MIDWEST, AND THE MOUNTAIN WEST ARE BEING DAMAGED BY ACID RAIN. IN ADDITION, THE SOUTHEAST HAS THE LARGEST ACID SENSITIVE AREA AND HAS EXPERIENCED A FIVE-FOLD INCREASE IN ITS ACID-FORMING SULFUR DIOXIDE EMISSIONS SINCE 1950.

AND NOT JUST LAKES ARE DYING. FORESTS ARE SHOWING SIGNS OF A PRECIPITOUS DECLINE OVER LARGE PARTS OF THE EASTERN UNITED STATES. SPRUCE AND FIR STANDS IN MANY AREAS, SUCH AS CAMEL'S HUMP MOUNTAINS IN VERMONT AND MOUNT MITCHELL IN NORTH CAROLINA, ARE NOW LITTERED WITH DEAD OR DYING TREES.

IN THE SOUTH, THE GROWTH OF MANY ECONOMICALLY IMPORTANT PINE SPECIES HAS DECLINED DRAMATICALLY OVER THE PAST DECADE. NOT SURPRISINGLY, TREES ARE ALSO BEING DAMAGED IN THE MIDWEST, ESPECIALLY IN THE HEAVILY POLLUTED OHIO RIVER BASIN.

OUR NATION'S FOREST DAMAGE IS NOT UNIQUE. IN WEST GERMANY TREE DAMAGE FROM AIR POLLUTION HAS MOVED FROM HIGHER TO LOWER ELEVATIONS, INJURING THIRTY-FOUR PERCENT OF THAT NATION'S TREES. FOREST DAMAGE IN WEST GERMANY NOW EXCEEDS \$300 MILLION A YEAR. TO COMBAT ACID RAIN, WEST GERMANY HAS ADOPTED A PROGRAM REQUIRING A 50% CUTBACK IN SULFUR DIOXIDE EMISSIONS BY 1993. GERMAN FORESTERS HAVE WARNED THAT THE SYMPTOMS WE SEE TODAY IN OUR FORESTS RESEMBLE THOSE OBSERVED FIVE YEARS AGO IN WEST GERMANY.

BECAUSE ENORMOUS ECONOMIC IMPLICATIONS ACCOMPANY SUCH EXTENSIVE DAMAGE, ACID RAIN IS NO LONGER FEARED BY JUST ENVIRONMENTALISTS. REDUCED FOREST YIELDS, FOR EXAMPLE, WILL HAVE A DIRECT IMPACT ON THE \$49 BILLION DOLLAR A YEAR FOREST PRODUCTS INDUSTRY. THIS INDUSTRY EMPLOYS 1.2 MILLION PEOPLE NATIONWIDE, AND IS A CENTERPIECE OF COMMERCE IN THE SOUTHEAST, THE NORTHWEST, AND NEW ENGLAND.

STATES, THREATENED INDUSTRIES, AND INVESTMENT ANALYSTS ARE BECOMING APPREHENSIVE. IN A RECENT REPORT STANDARD AND POOR WARNED THAT ACID RAIN PRESENTS A CLEAR DANGER TO THE FOREST PRODUCTS INDUSTRY AND CAUTIONED THAT "IF ACID RAIN KILLS AN APPRECIABLE NUMBER OF TREES ON THE MILLIONS OF ACRES OWNED BY THE FOREST PRODUCTS COMPANIES, THE COMPANIES STOCK PRICES WILL DIE FASTER THAN THE TREES."

OF COURSE, THE ECONOMIC COSTS OF FAILING TO CONTROL ACID RAIN ARE NOT LIMITED TO DAMAGED FORESTS. OUR NATION'S FISHING, RECREATION, AND TOURISM INDUSTRIES WILL FACE AN UNPRECEDENTED CRISIS IF OUR LAKE ACIDIFICATION NEARS THE SCALE OF SWEDEN AND NORWAY, WHERE OVER 30,000 LAKES HAVE BEEN DAMAGED.

MOREOVER, THE POLLUTANTS THAT CAUSE ACID RAIN ARE A PROVEN THREAT TO HUMAN HEALTH, AGRICULTURAL PRODUCTIVITY, AND MAN-MADE MATERIALS. CONSIDER FOR A MOMENT THAT OTA IS SAYING THAT THESE POLLUTANTS MAY BE RESPONSIBLE FOR AS MANY AS 50,000 PREMATURE DEATHS EVERY YEAR.

DESPITE ACID RAIN'S UNDENIABLE ADVERSE HEALTH, ECONOMIC, AND ENVIRONMENTAL CONSEQUENCES, STRONG OPPOSITION REMAINS TO ENACTING AN EXTENSIVE CONTROL PROGRAM. ALTHOUGH EVEN PRESIDENT REAGAN HAS FINALLY ADMITTED ACID RAIN EXISTS, HE CONTINUES TO ARGUE IT IS SO COMPLEX AND POORLY UNDERSTOOD THAT SCIENTISTS CANNOT AGREE ON A SOLUTION.

WELL, I COMPLETELY AGREE WITH THE PRESIDENT THAT A COMPLEX PROBLEM EXISTS. BUT NO REASONABLE OBSERVER CAN DOUBT THE INTERNATIONAL

SCIENTIFIC CONSENSUS THAT HAS EMERGED THROUGH THOUSANDS OF ACID RAIN STUDIES. WHEN OBJECTIVE EXPERT PANELS HAVE BEEN ASSEMBLED TO EVALUATE THE ACID RAIN PROBLEM, THEY HAVE REACHED THE SAME CONCLUSION: IF WE DO NOT ACT NOW TO REDUCE THE SULFUR AND NITROGEN OXIDE POLLUTANTS THAT CAUSE ACID RAIN, WE RISK WIDESPREAD, IRREVERSIBLE DAMAGE TO THE ECOSYSTEMS UPON WHICH OUR ECONOMY AND OUR WELL-BEING DEPEND.

OUR NATION'S BEST SCIENTIFIC ORGANIZATION, THE NATIONAL ACADEMY OF SCIENCES, HAS UNAMBIGUOUSLY RECOMMENDED A "PROMPT TIGHTENING OF RESTRICTIONS ON ATMOSPHERIC EMISSIONS," AFTER WARNING THAT "CONTINUED EMISSIONS OF SULFUR AND NITROGEN OXIDES, IN THE FACE OF CLEAR EVIDENCE OF SERIOUS HAZARD TO HUMAN HEALTH AND TO THE BIOSPHERE, WILL BE EXTREMELY RISKY FROM A LONG TERM ECONOMIC STANDPOINT, AS WELL AS FROM THE STANDPOINT OF BIOSPHERE PROTECTION."

EVEN PRESIDENT REAGAN'S OWN HANDPICKED PANEL OF SCIENTISTS AFFIRMED THE NAS'S CALL FOR CONTROL ACTION. BUT THE REAGAN ADMINISTRATION SUPPRESSED THE WHITE HOUSE SCIENCE ADVISOR'S REPORT LAST SPRING WHILE ACTIVELY OPPOSING CONGRESSIONAL EFFORTS TO ENACT A CONTROL PROGRAM.

IN LIGHT OF THIS OVERWHELMING SCIENTIFIC OPINION, I URGE YOU TO RECONSIDER YOUR OPPOSITION TO ACID RAIN LEGISLATION. AS AN ECONOMIC MATTER, A "DO NOTHING" POLICY IS UNFAIR TO SPECIFIC INDUSTRIES AND STATES, AND GIVES AN UNJUSTIFIED REWARD TO POLLUTING STATES THAT FOR OVER A DECADE HAVE FOUGHT POLLUTION REDUCTION REQUIREMENTS.

THESE DISTORTIONS OF THE COST OF DOING BUSINESS ARE MISFITS IN THE CURRENT ZEAL FOR FREE MARKET POLICIES. INFLECTING ENVIRONMENTAL AND ECONOMIC INJURY ON RELATIVELY CLEAN STATES IS A SHORT-SIGHTED POLICY THAT ENDS UP HURTING THE ENTIRE NATION.

TOO OFTEN WE TRY TO DELUDE OURSELVES INTO ECONOMIC HAPPINESS BY IGNORING PROBLEMS. WE ALL SEE PRESIDENT REAGAN DOING THIS ON HIS MASSIVE FEDERAL DEFICITS--HE PREFERS NOT TO ACKNOWLEDGE THE PROBLEM, BUT IF PRESSED ON THE ISSUE, SUGGESTS THAT IF WE WISH HARD ENOUGH THEY WILL GO AWAY.

BUT NONE OF US REALLY BELIEVES THAT PETER PAN OPTIMISM IS THE SOLUTION TO DEFICITS. A POLICY OF NEGLECT CAN ONLY BRING US TO ECONOMIC CHAOS.

SIMILARLY, A POLICY OF NEGLECT ON ACID RAIN CAN ONLY BRING ENVIRONMENTAL AND ECONOMIC RUIN. OHIO UTILITIES HAVE SUCCEEDED IN AVOIDING STRINGENT CONTROLS AND WANT US TO BELIEVE THERE IS NO COST TO THEIR POLLUTION. YET EVERYONE IN THIS ROOM KNOWS THAT IS NOT TRUE.

THE COST OF THEIR POLLUTION IS BEING TRANSFERRED TO MILLIONS OF AMERICANS LIVING EAST OF OHIO. NEW YORKERS HAVE TO PAY HIGHER ELECTRIC BILLS, SUFFER FROM DAMAGED RESOURCES, AND WATCH LOCAL ECONOMIES DISINTEGRATE BECAUSE OF OHIO'S OBSESSION WITH POLLUTION.

PROTECTING THE PROFITS OF UTILITIES IN ONE STATE BY TRANFERRING

THEIR COSTS OF DOING BUSINESS TO OTHER STATES IS BAD ECONOMICS, BAD POLICY, AND JUST PLAIN UNFAIR. AND IT WILL NOT CONTINUE. CONGRESS WILL NOT STAND BY AND LET OUR ECONOMY AND ENVIRONMENT BE HELD HOSTAGE TO THE UNREASONABLE WISHES OF SOME COAL OR UTILITY COMPANIES.

LEGISLATION CAN AND HAS BEEN DRAFTED TO ACHIEVE SIGNIFICANT REDUCTIONS WITHOUT CAUSING MIDWESTERN UNEMPLOYMENT OR EXPENSIVE UTILITY RATE INCREASES. ACCORDING TO THE CONGRESSIONAL OFFICE OF TECHNOLOGY ASSESSMENT, A 10 MILLION TON SULFUR DIOXIDE REDUCTION PROGRAM, RELYING UPON POLLUTION CONTROL TECHNOLOGIES THAT WOULD PROTECT THE JOBS OF COAL MINERS BY INSTITUTIONALIZING THE USE OF HIGH SULFUR COALS, COULD BE PAID FOR WITH AN AVERAGE INCREASE IN ELECTRICITY RATES IN THE 48 STATES OF ONLY THREE PERCENT. SCIENTISTS AGREE THAT SUCH A PROGRAM WOULD GREATLY REDUCE THE THREAT TO OUR NATION'S LAKES AND FORESTS, AS WELL AS THE HEALTH PROBLEMS ASSOCIATED WITH SULFUR DIOXIDE POLLUTION.

THE OFFICE OF TECHNOLOGY ASSESSMENT ESTIMATED THE PROGRAMS'S CONTROL COSTS TO BE ABOUT \$3 BILLION ANNUALLY. BUT THIS FIGURE MUST BE EVALUATED IN THE CONTEXT OF A UTILITY REVENUE BASE OF OVER \$130 BILLION PER YEAR, NET PROFITS OF OVER \$17 BILLION PER YEAR, AND, IN THE CASE OF 1983, \$6 BILLION IN APPROVED RATE INCREASES.

WHILE WE HAD A 10 MILLION TON REDUCTION OBJECTIVE LAST YEAR, THERE ARE MANY WHO BELIEVE NOW THAT SUCH A REDUCTION WOULD BE INADEQUATE. NEW EVIDENCE OF SERIOUS DAMAGE SUGGESTS THAT WE SHOULD BE LOOKING AT A MUCH HIGHER FIGURE.

OPPONENTS OF ACID RAIN CONTROLS IGNORE THE THOROUGHNESS OF ACID RAIN RESEARCH AND SEEM TO HOLD AN IDEOLOGY THAT EQUATES ENVIRONMENTAL PROTECTION WITH BAD ECONOMICS. BUT INACTION IS CAUSING HUMAN SUFFERING AND COSTING OUR ECONOMY BILLIONS OF DOLLARS IN ECONOMIC DAMAGE.

FORTUNATELY, THE AMERICAN PUBLIC IS CONTINUING TO PRESS CONGRESS TO ENACT AN ACID RAIN CONTROL PROGRAM. IN 1980, ONLY THIRTY PERCENT OF THE PUBLIC KNEW ABOUT THE ACID RAIN PROBLEM. TODAY AN OVERWHELMING NINETY PERCENT OF THE PUBLIC BELIEVE THAT IT IS A SERIOUS PROBLEM IN NEED OF A SOLUTION. THE DEMAND FOR AN ACID RAIN CONTROL PROGRAM HAS GROWN FROM ONE THAT FEW MEMBERS TOOK SERIOUSLY A FEW YEARS AGO TO ONE THAT MOST MEMBERS RECOGNIZE TODAY AS INEVITABLE. IN FACT, OVER 150 HOUSE MEMBERS COSPONSORED ACID RAIN BILLS IN THE 98TH CONGRESS. THIS MAKES THE OUTLOOK BRIGHT FOR PASSAGE OF AN ACID RAIN CONTROL PROGRAM IN THE NEXT CONGRESS.

THE QUESTION NOW IS NOT WHETHER THERE WILL BE A PROGRAM BUT WHAT KIND OF PROGRAM WILL BE ENACTED. I KNOW THAT A NUMBER OF ELECTRIC UTILITIES LIKED THE APPROACH THAT WE TOOK IN H.R. 3400, THE SIKORSKI-WAXMAN BILL. BUT THE RELUCTANCE OF MANY IN THE MIDWEST TO ACT REASONABLY IN SOLVING OUR ACID RAIN PROBLEM HAS LEFT MANY EASTERNERS AND WESTERNERS BEWILDERED. SINCE OHIO HAS BEEN WILLING TO BLINDLY REJECT \$4 BILLION IN AID AND 6,000 NEW JOBS, MANY MEMBERS ARE RELUCTANT TO EMBRACE A TRUST FUND THAT BENEFITS THE MIDWEST OVER OTHER PARTS OF THE NATION.

IN THE NEXT YEAR WE WILL WORK HARD TO CRAFT A BILL THAT IS FAIR AND HAS A REALISTIC CHANCE OF APPROVAL. I HOPE THE SENATE COMMITTEE WILL MAKE THE SAME EFFORT AND REASSESS THE SCOPE AND APPROACH OF ITS THIRTY-ONE STATE LEGISLATION. OUR ENVIRONMENT AND ECONOMY IS LOSING ITS TOLERANCE FOR POLITICAL POSTURING. THE MIDWEST MUST STOP WAGING CHEMICAL WARFARE AGAINST THE REST OF THE NATION AND START COOPERATING WITH EFFORTS TO CONTROL EMISSIONS. AND WESTERNERS AND NORTHEASTERNS MUST BE WILLING TO DO MORE THAN COMPLAIN ABOUT ACID RAIN, THEY MUST BE WILLING TO COMPROMISE.

AS CHAIRMAN OF THE SUBCOMMITTEE ON HEALTH AND THE ENVIRONMENT, I AM ANXIOUS TO WORK CLOSELY WITH ALL GROUPS INTERESTED IN ACID RAIN CONTROL LEGISLATION. THE ELECTRIC UTILITIES AND OTHER AFFECTED INDUSTRIES HAVE EVERY THING TO GAIN BY PARTICIPATING IN THE DEVELOPMENT OF A CONTROL PROGRAM. I AM PREPARED TO WORK WITH ALL OF YOU IN THIS EFFORT.

THANK YOU FOR THIS OPPORTUNITY TO SPEAK TO YOU TODAY. I WOULD BE PLEASED TO ANSWER ANY QUESTIONS YOU MIGHT HAVE.